

Memo

To: Common Council Members & Department Heads
From: Dan Wietecha, City Administrator and Lisa Novinska, Finance Director
Date: October 9, 2008
Re: 2009 Proposed City Operating Budget

2009 Proposed City Operating Budget

These are the changes being recommended to Finance Committee for the 2009 operating budget.

Revenues

Taxes –2009 amount is \$1,116,689.

Intergovernmental Revenue –State Aid Gen Transportation increased to \$227,814 per letter from DOT. Shared Revenue from State will be \$484,916 and State Expend Restraint will be \$60,039 per letter from DOR. State Aid Exempt Computers budget level was lowered to be in align with actual. State Aid-Connecting Street was lowered to \$32,327.

Licenses & Permits- Liquor & Malt Beverage License was lowered to match actual. Cigarette License was increased to reflect a \$50 charge per establishment.

Fines & Forfeitures– No additional changes.

Public Charges for Service- Ref/Recyc Spec Charge Revenue was lowered to \$200,754. This is based on \$114 per household a year assessment. Park Shelter Rental Revenue was changed to zero. The revenue is part of the Debt Service Budget. Swimming Pool Revenue was increased to \$70,000 based on 2008 actual annualized with a projected fee increase of \$8,500. Actual rate increase for residents vs. non-residents is still being reviewed. Baseball and Softball Revenue has been lowered to better match 2008 actual. Community Planning Revenue has been increased to \$5,000 based on 2008 actual. Engineering P&D Revenue has been added (\$5,500) to better match actual. The revenue for the two previous accounts was being put as a negative expense to offset the actual costs moved revenue to revenue account.

Miscellaneous Revenue – Rent of City Bldgs & Office increased to \$36,500. EMS rent increased \$6,250 and W&L rent increased \$6,600. Senior Center Donations were decreased to zero due to the fact that no donations have been received.

Other Financing Sources – No additional changes.

Expenses

Municipal Court – Muni Court Salary increase is due to a \$30 per month increase for Court Clerk. City will pay WRS on Court Clerk. Monthly time sheets will be required. Hold Judge salary at 2008 level.

Legal Services – No additional changes.

City Administrator- Holding salary at 2008 level.

Assessor – No additional changes.

Finance – Finance Salary increased to \$129,737 due to recommendation for Human Resources position being full time.

Municipal Buildings- Municipal Buildings has decreased to \$30,700 due to EMS taking over Dean Community Center including utilities. Muni Court Liability Insurance (Position schedule bond) has been added for \$100 to cover Muni Courts portion of this insurance.

Other General Government-Citizen Committee Stipend has decreased to better match actual. Software Maint Agreement decreased to \$6,000. Property & Liability Insurance has been divided into 3 categories and allocated based on actual use of this insurance. Annex Tax Reimbursement has increased to \$2,350 to match the revenue.

Police Department – Police Salary has decreased to 3.26% due to a vacant position and hiring a new officer at a lower rate. Police health Ins has decreased by \$6,021 due to a new officer not being eligible for health insurance until 6 months after hire. Budget would allow for a promotion of senior officers to investigator and lieutenant and hire new patrol officer as replacement. Police Equip Maintenance increased to \$12,000 to compensate for delaying the purchase of a new squad car. Added Property, Liability and Workers Comp insurance to police department for their portion of the premiums.

Fire District – No additional changes.

Public Works – Added Property, Liability and Workers Comp insurance to Public Works for their portion of the premiums.

Recycling & Disposal – Recycling Salary has increased for the portion of Stormwater Utility Fund moved back.

Fleet Maintenance- DPW Fleet Maintenance was decreased to \$23,865. This is 2 ½ % over original 2008 budget.

Senior Citizens Program- Senior Trans & Services increased to 2008 contract amount.

Park Maintenance- Lake Leota/Allen Creek Maint Exp decreased to zero due to capital plan budget. Added Property, Liability and Workers Comp insurance to Park Maintenance for their portion of the premiums.

Swimming Pool- Added Property insurance for their portion of the premiums.

Youth Center –Youth Center Serv Contract had decreased to match the proposed contract amount for 2009, 2% over 2007-2008 rates. Also recommend contract include \$50/month to offset Awares utilities.

Baseball- Baseball Expense was decreased to better match 2008 actual annualized.

Softball- Softball Expenses have been held to 2008 amount. League of Their Own amount increased to match 2008 actual.

Economic Development – No additional changes.

Community Planning- Board of Appeals Expense held to 2008 level.

EMS – Gen Property Taxes decreased to \$98,940. EMS Service Charge increased to \$196,000 to better match 2008 actual annualized plus an increase for service. Township Service Agreement decreased to match population times amount per person, stay at \$20 per capita. EMS Salary increased due to the net affect of City Administrator holding at 2008 rate and increase of recommended Human resources position to full time. Insurance expense increased to match actual. Medicare/Medicaid Write Offs increased to offset potential for increase in services.

Library – Other Receipts increased to match 2008 actual. Library Comp software/main/upgr decreased to \$12,822. Bldg Maintenance & Repair decreased to \$10,439. Library Property & Liab Ins decreased to match actual premiums.

Cemetery –Taxes increased to \$68,395. Lot Sales & Perpetual Care increased due to a proposed fee increase. Interment Receipts decreased to better match 2008 actual annualized. Miscellaneous Rent decreased to match actual. Added Cemetery Property Ins for their portion of the premiums. Transfer to Trust Fund added to move ½ of Lot sales & perpetual care revenue.

TID #6- Increased TIF Increment based on value from state report. Fund Balance Applied amount is \$20,981 from capitalized interest. Deficit will be funded through general fund at 5% interest.

TID #7- TIF Increment at \$10,000. TID deficit will be funded through a loan from general fund at 5% interest.

TID #8- Fund Balance Applied amount is \$34,969 from capitalized interest. Deficit will be funded through general fund at 5% interest.

Debt Service Fund- Taxes lowered to \$490,406. Trans From Capital Prof Funds \$105,000, this is the net proceeds from the sale of the current Police Station. Debt Issuance Cost is at zero.

Capital Projects Fund- See capital budget memo. All capital projects have been added with the offsetting revenue. The fund shows \$101,200. This is comprised of \$1,200 Park Shelter Rental Revenue and \$100,000 to cover TID capital projects.

Sanitary Sewer/WWTP Fund - Sewer New Connect Hook Up Fee decreased for \$60,000 to better match 2008 actual annualized. Proceeds from Long-Term Debt \$3,100,000 for WWTP Upgrade. DNR Replacement Fund Deposit decreased to match expense. WWTP Property Insurance increased to match actual.

Stormwater Utility – Stormwater Salary decreased, portion moved back to Recycling. \$70,000 of the profit is to fund two capital items.

Water & Light – Operating Salaries have been adjusted to better match actual based on 2007 actual and 2008 annualized. Purchase Power has increased 10% based on estimates from WPPI. The analysis is based on demand and wholesale costs. W&L rent increased \$6,600. Property increased to match premium actual. Oper Administrative Salaries increased due to the net affect of the City Administrator holding salary at 2008 rate and human resources position going full time.